

**UNITED STATES DISTRICT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

United States District Court
Southern District of Texas
FILED

APR 12 2010

David J. Bradley, Clerk of Court

UNITED STATES OF AMERICA

v.

GEORGE DOUGLAS BLACK, SR.

Criminal No. 10-

H-10- 223

INDICTMENT

THE GRAND JURY CHARGES:

COUNTS ONE THROUGH SIX
(Mail Fraud - 18 U.S.C. §§1341 and 2)

A. THE SCHEME AND ARTIFICE TO DEFRAUD

1. From in or about January 1, 2006 through on or about March 22, 2010, in the Southern District of Texas and elsewhere,

GEORGE DOUGLAS BLACK, SR.

defendant herein, aided and abetted by others known and unknown to the Grand Jury, knowingly devised and intended to devise a scheme and artifice to defraud and to obtain money and property by means of false and fraudulent pretenses, representations and promises, and for the purpose of executing the scheme and artifice to defraud, and attempting to do so, knowingly placed and caused to be

placed in an authorized depository for mail matter to be sent and delivered by the United States Postal Service, by any private or commercial interstate carrier, and caused to be deposited and sent or delivered according to the directions thereon, or at the place at which it is directed to be delivered by the person to whom it is addressed, certain mail matter, as further set forth in the counts below.

B. MANNER AND MEANS OF THE SCHEME TO DEFRAUD

The manner and means of the scheme and artifice were as follows:

2. The defendant would and did obtain mailboxes at commercial mail receiving agents' locations and other addresses in his name and the names of companies, including Infinity Surety.
3. The defendant would and did list the private mail box addresses as his business office locations.
4. The defendant would and did host multiple internet-based websites offering, such as <http://www.infinitysurety.com>, to sell and provide various types of "performance", "bid", and "surety" bonds.
5. The defendant would and did sell, issue, and administer fraudulent, false, and misleading surety bonds to numerous companies located throughout the United States.
6. The defendant would and did engage in the business of insurance in the

State of Texas without obtaining the required licenses, certifications, or authorizations from the Texas Department of Insurance (TDI).

7. The defendant would and did continue to engage his business activities after being ordered to cease and desist by the State of Texas and State of Louisiana.

8. The defendant would and did pledge the same residential properties as collateral on multiple bonds and projects.

9. The defendant would and did represent that he could guarantee multi-million dollar bonds even though he was not capable of honoring those financial obligations—the total value of these projects exceeded \$100 million dollars.

10. The defendant would and did receive in excess of \$2.5 million dollars from over 150 victim companies located throughout the United States via the U.S. mail and private communication couriers.

C. EXECUTION OF THE SCHEME TO DEFRAUD

11. On or about the following dates,

GEORGE DOUGLAS BLACK, SR.

executed and attempted to execute the aforesaid described scheme and artifice to defraud by placing and causing to be placed in an authorized depository for mail matter to be sent and delivered by the United States Postal Service and by any private or commercial interstate carrier, certain mail matter as set forth in the

counts below:

COUNT	DATE	MAIL MATTER
1	Feb. 25, 2009	Check Number 10796 for 1,000 sent from HRE in Houston, Texas to George Black
2	Feb. 25, 2009	Check number 10797 for \$50,000 sent from HRE in Houston, Texas to George Black
3	Feb. 25, 2009	Check number 10798 for \$5,253.99 sent from HRE in Houston, Texas to George Black
4	Feb. 28, 2009	Check number 10852 for \$9,761.95 sent from HRE in Houston, Texas to George Black
5	Mar. 2, 2009	Check number 1016 for \$346,813 sent from HRE in Houston, Texas to George Black
6	Mar. 3, 2009	Check number 10805 for \$10,000 sent from HRE in Houston, Texas to George Black

In violation of Title 18, United States Code, Sections 1341 and 2.

A TRUE BILL:

ORIGINAL SIGNATURE ON FILE

FOREPERSON OF THE GRAND JURY

JOSE ANGEL MORENO
United States Attorney

By:

RYAN D. MCCONNELL
Assistant United States Attorney
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